

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Administration Centralized Administrative Services Budget Request Unit Budget Summary**

## **Centralized Administrative Services Budget Request Unit**

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### **BRU Mission**

To provide cost effective centralized administrative and management support services for all state agencies, and to work with agencies in all branches of state government to assure the effective, efficient, and economical delivery of public services to Alaskans.

(Mission statement for this BRU was not provided in CH90, SLA2001).

### **BRU Services Provided**

#### Commissioner's Office

- Management and oversight of DOA services to state agencies and services to the public
- Liaison with the Governor's Office and the Legislature

#### Tax Appeals

- Oil tax administrative appeals
- Procurement administrative appeals
- Longevity Bonus administrative appeals

#### Administrative Services

- Provide centralized procurement, accounting, personnel, and payroll support to divisions
- Budget development and liaison with Office of Management & Budget and the Legislature
- Oversee department business management practices to assure compliance with state and federal rules; coordinate Legislative and OMB audits of DOA programs
- Provide management of the DOA Information Technology Support program

#### DOA Information Technology Support

- Comprehensive around-the-clock centralized desktop computer support for the entire department
- Maintenance of the department network
- Analysis of software and hardware product requirements and enhancements
- Liaison with the Information Technology Group

#### Finance

- Accounting services
- State Annual Financial Report

#### Personnel

- Recruitment for new employees
- Classification of state jobs
- Training of state employees
- Labor relations services

#### General Services

- Purchasing
- Property Management
- Leasing

#### Retirement & Benefits

- Retirement system administration
- Benefit program administration
- Health & life insurance program administration

### **BRU Goals and Strategies**

CONTINUE TO PURSUE ADDITIONAL OPPORTUNITIES FOR INNOVATIVE, EFFICIENT AND EFFECTIVE DELIVERY OF STATE SERVICES AND PROGRAMS

- Integrate mainframe computing systems and Internet technology

- Implement state purchasing card program and a new improved travel card program
- Design and implement an electronic strategy and standard for statewide procurement and other transactions
- Enable and support state agencies' efforts to conduct state business electronically
- Implement a procurement officers certification program that ensures competent application of state law as delegated to state agencies

### **Key BRU Issues for FY2002 – 2003**

See components

### **Major BRU Accomplishments in 2001**

See components

### **Key Performance Measures for FY2003**

#### **Measure:**

Percentage of divisions within the department that reach the assigned performance measures.  
Sec 4 Ch 90 SLA 2001(HB 250)

#### **Alaska's Target & Progress:**

Most of the performance measures for the Department of Administration do not include benchmarks or clear indicators of success or failure. As a result, we are unable to report on this performance measure.

#### **Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

#### **Background and Strategies:**

We are currently unable to report on this performance measure.

#### **Measure:**

The average time taken to respond to complaints and questions that have been elevated to the Commissioner's Office.  
Sec 4 Ch 90 SLA 2001(HB 250)

#### **Alaska's Target & Progress:**

During the period July 1, 2001 through September 30, 2001 the Commissioner's Office responded to 305 complaints and questions. The average response time was 9.2 days.

#### **Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

#### **Background and Strategies:**

The Department of Administration will continue to respond to complaints and questions in as timely a manner as possible.

#### **Measure:**

The average cost for each appeal.  
Sec 5 Ch 90 SLA 2001(HB 250)

#### **Alaska's Target & Progress:**

The average cost, as measured by the number of hours of spent on each appeal, of each appeal during the period January 1, 2001 through June 30, 2001 is as follows:

Tax appeals - 30 hours;  
Insurance/Securities appeals - 21.5 hours;  
Procurement and other DOA appeals - 24 hours.

For the period July 1, 2001 through September 30, 2001 the average cost is as follow:

Tax appeals - 26 hours;  
Insurance/Securities - 15 hours;  
Procurement and other DOA appeals - 24 hours.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Office of Tax Appeals will continue to handle appeals in a timely manner.

**Measure:**

The average time for each appeal.  
Sec 5 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

During the period January 1, 2001 through June 30, 2001 the average time for each appeal was as follows:

Tax appeals--12.2 months;  
Insurance/Securities appeals--2.5 months;  
Procurement and other DOA appeals--3.2 months. (Based on appeals that were resolved by decision or final order during this period.)

For the period July 1, 2001 through September 30, 2001 the average time for each appeal was as follows:

Tax appeals--11.5 months;  
Insurance/Securities appeals--4.5 months;  
Procurement and other DOA appeals--3.2 months. (Based on appeals that were resolved by decision or final order during this period.)

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Office of Tax Appeals will continue to handle appeals in a timely manner.

**Measure:**

The cost of Administrative Services divided by the total personnel costs for the department.  
Sec 6 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The actual cost of Administrative Services for FY2001 was \$1,572.3; total personal services costs for the department for FY2001 was \$78,100.3. The cost of Administrative Services represents 2.01% of the department's personal services costs.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Measure:**

The number of departmental employee grievances divided by all state department grievances.  
Sec 6 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The number of employee grievances filed for the period of January 1, 2001 through June 30, 2001 for the Department of Administration was 9; the number for all state departments was 216. Grievances filed by DOA employees accounted for 4.16% of total grievances for this period.

The number of employee grievances filed for the period of July 1, 2001 through September 30, 2001 for the Department of Administration was 10; the number for all state departments was 196. Grievances filed by DOA employees accounted for 5.1% of total grievances for this period.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Measure:**

The number of late payments for total payroll and vendor payments per year.

Sec 6 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The number of late payroll payments for the period of January 1, 2001 through June 30, 2001 for the Department of Administration was 1. During this period, payment time for vendor payments averaged 21 days.

There were no late payroll payments for the period of July 1, 2001 through September 30, 2001 for the Department of Administration. During this period, payment time for vendor payments averaged 24 days.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Administrative Services will continue to process payroll and vendor payments in a timely manner.

**Measure:**

The response time for desktop support.

Sec 6 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period January 1, 2001 through June 30, 2001 the response times for desktop support were as follows: 1,496 work requests were completed. 55% were completed the same day the request was received, 24% were completed in one to five days, and 21% were completed in six days or more.

For the period July 1, 2001 through September 30, 2001 the response times were as follows: 861 work requests were completed. 51% were completed the same day the request was received, 25% were completed in one to five days, and 24% were completed in six days or more.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Department of Administration Information Technology Support group will continue to complete work requests in as timely a manner as possible.

**Measure:**

The change in the amount and percentages of penalty pay for the state's central payroll.

Sec 7 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The penalty pay for the period January 1, 2001 through June 30, 2001 was \$400.00. No penalty payments were incurred or made during the period July 1, 2001 through September 30, 2001.

**Measure:**

The change in the number of audit exceptions  
Sec 7 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The number of audit exceptions during the period January 1, 2001 through June 30, 2001 was 3. The number for the period July 1, 2001 through September 30, 2001 was 2.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Finance will continue to work to minimize audit exceptions.

**Measure:**

The date the Comprehensive Annual Financial Report is completed.  
Sec 7 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The Comprehensive Annual Financial Report is completed by December 15.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Finance will continue to work to ensure the Comprehensive Annual Financial Report is completed by December 15 of each year.

**Measure:**

The change in the down time for the Alaska Statewide Accounting System and the Alaska Statewide Payroll System.  
Sec 7 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period January 1, 2001 through June 30, 2001, the down time for the Alaska Statewide Accounting System (AKSAS) and the Alaska Statewide Payroll System (AKPAY) was as follows:

AKSAS - less than 1%;  
AKPAY - 1.1%.

For the period July 1, 2001, through September 30, 2001, the down time for AKSAS and AKPAY was as follows:

AKSAS - less than 1%  
AKPAY - less than 1%

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Finance will continue to work to minimize down time for both AKSAS and AKPAY.

**Measure:**

The percentage of grievance arbitrations won.  
Sec 8 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

Grievance arbitration statistics for the period July 1, 2000 through June 30, 2001 are as follows:

Total Cases	Won	Lost	Split	Percent Won
11	7	2	2	72%

There were no grievance arbitrations from July 1, 2001 through September 30, 2001.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Personnel will continue to work to provide excellent representation for the State in grievance arbitrations.

**Measure:**

The number of employment discrimination complaints from state employees received by the State Commission for Human Rights as a percentage of the total number of state employees and the percentage of complaints of employment discrimination filed with the commission that allege discrimination by the state.

Sec 8 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

The State Commission for Human Rights has declined to provide the statistics necessary to report on this measure.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Measure:**

The down time in the availability of Workplace Alaska

Sec 8 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

During the period July 1, 2000 through December 30, 2000 Workplace Alaska experienced unscheduled downtime of 108 minutes.

During the period January 1, 2001 through June 30, 2001 Workplace Alaska experienced unscheduled downtime of 1,733 minutes.

During the period July 1, 2001 through September 30, 2001 Workplace Alaska experienced unscheduled downtime of 1,093 minutes.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

Workplace Alaska is the State's online recruiting tool for all State of Alaska employment opportunities. It is important that the system be available at all times for the use of potential employees. Unscheduled downtime is defined as when the system is unavailable due to unforeseen problems and technical difficulties.

**Measure:**

The change in the length of time taken to settle disputed classification actions compared to the time required in previous years.

Sec 8 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

During the period July 1, 2000 through December 31, 2000 the Division of Personnel received ten requests to resolve disputed classification actions under Article 17 of the GGU contract and three requests under Article 19 of the SU contract. The average length of time taken to respond was 20.9 days.

During the period January 1, 2001 through June 30, 2001 eight requests were received from the GGU and one from the

SU. The average response time was 26 days.

During the first quarter of FY2002 the division received five requests from the GGU and three from the SU. The average response time during this period was 33.8 days.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of Personnel will continue to work to respond to disputed classification actions in as timely a manner as possible.

**Measure:**

The number of violations of procurement codes.

Sec 9 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period July 1, 2000 through December 31, 2000 seven procurement violations occurred. For the period January 1, 2001 through June 30, 2001 six violations occurred. For the period July 1, 2001 through September 30, 2001 five violations occurred.

**Benchmark Comparisons:**

We currently have no benchmark information for this performance measure.

**Background and Strategies:**

The Division of General Services will continue to provide procurement training to state agencies.

**Measure:**

The cost per square foot of leased space.

Sec 9 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period July 1, 2000 through December 31, 2000 the average cost per square foot of leased space was \$1.496. For the period January 1, 2001 through June 30, 2001 the average cost was \$1.654 per square foot. For the period July 1, 2001 through September 30, 2001 the average cost was \$1.758 per square foot.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Division of General Services will continue to negotiate the best possible leased space contracts for the State of Alaska.

**Measure:**

The money saved through the use of master contracts.

Sec 9 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period July 1, 2000 through December 31, 2000 the money saved through the use of master contracts was \$3,774,385. For the period January 1, 2001 through June 30, 2001 the amount saved was \$4,666,461. For the period July 1, 2001 through September 30, 2001 the amount saved was \$1,834,440.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Division of General Services will continue to use master contracts to achieve the maximum savings possible.

**Measure:**

The length of time taken to process appointments to retirement.  
Sec 10 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period January 1, 2001 through June 30, 2001 the average length of time taken to process appointments to retirement was 21.7 days. For the period July 1, 2001 through September 30, 2001 the processing of retirement appointments averaged 36.3 days.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Division of Retirement and Benefits will continue to process appointments to retirement in a timely manner.

**Measure:**

The number of health insurance reimbursement complaints.  
Sec 10 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period January 1, 2001 through June 30, 2001 the number of health insurance reimbursement complaints was 25. For the period July 1, 2001 through September 30, 2001, the number was seven.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Division of Retirement and Benefits will continue to work to keep health insurance complaints to a minimum.

**Measure:**

The average length of time taken to process health care claims.  
Sec 10 Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

For the period January 1, 2001 through June 30, 2001 the average length of time taken to process health care claims was 11.6 days. For the period July 1, 2001 through September 30, 2001 the average was 10.1 days.

**Benchmark Comparisons:**

We currently have no benchmark data for this performance measure.

**Background and Strategies:**

The Division of Retirement and Benefits will continue to work to ensure that health care claims are processed in as timely a manner as possible.

**Centralized Administrative Services**  
**BRU Financial Summary by Component**

*All dollars in thousands*

	FY2001 Actuals				FY2002 Authorized				FY2003 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b><u>Formula</u></b>												
<b><u>Expenditures</u></b>												
None.												
<b><u>Non-Formula</u></b>												
<b><u>Expenditures</u></b>												
Office of the Commissioner	156.4	0.0	410.4	566.8	133.0	0.0	347.2	480.2	136.4	0.0	452.5	588.9
Tax Appeals	181.8	0.0	37.8	219.6	183.2	0.0	40.8	224.0	186.7	0.0	41.0	227.7
Administrative Services	97.1	0.0	1,475.2	1,572.3	75.0	0.0	1,473.5	1,548.5	76.7	0.0	1,502.4	1,579.1
DOA Info Tech Support	0.0	0.0	1,110.8	1,110.8	0.0	0.0	1,116.8	1,116.8	0.0	0.0	1,163.2	1,163.2
Finance	4,627.2	0.0	1,199.1	5,826.3	4,661.9	0.0	1,242.9	5,904.8	4,955.4	0.0	1,376.7	6,332.1
Personnel	1,944.3	0.0	343.5	2,287.8	1,935.6	0.0	582.1	2,517.7	1,928.4	0.0	587.2	2,515.6
Labor Relations	878.5	0.0	4.8	883.3	983.0	0.0	0.0	983.0	1,003.1	0.0	0.0	1,003.1
Purchasing	996.4	0.0	46.3	1,042.7	1,003.0	0.0	0.0	1,003.0	1,020.0	0.0	0.0	1,020.0
Property Management	403.4	344.3	5.7	753.4	411.7	403.8	0.0	815.5	418.5	409.5	0.0	828.0
Central Mail	0.0	0.0	1,007.9	1,007.9	0.0	0.0	1,134.2	1,134.2	0.0	0.0	1,139.5	1,139.5
Retirement and Benefits	0.0	0.0	9,595.3	9,595.3	0.0	0.0	10,385.5	10,385.5	0.0	0.0	11,263.8	11,263.8
Group Health Insurance	0.0	0.0	13,945.8	13,945.8	0.0	0.0	14,371.6	14,371.6	0.0	0.0	14,371.6	14,371.6
Labor Agreements	0.0	0.0	0.0	0.0	50.0	0.0	0.0	50.0	50.0	0.0	0.0	50.0
Misc Items												
<b>Totals</b>	<b>9,285.1</b>	<b>344.3</b>	<b>29,182.6</b>	<b>38,812.0</b>	<b>9,436.4</b>	<b>403.8</b>	<b>30,694.6</b>	<b>40,534.8</b>	<b>9,775.2</b>	<b>409.5</b>	<b>31,897.9</b>	<b>42,082.6</b>

## Centralized Administrative Services

## Proposed Changes in Levels of Service for FY2003

See components.

## Centralized Administrative Services

## Summary of BRU Budget Changes by Component

## From FY2002 Authorized to FY2003 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>9,436.4</b>	<b>403.8</b>	<b>30,694.6</b>	<b>40,534.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Office of the Commissioner	3.4	0.0	6.8	10.2
-Tax Appeals	3.5	0.0	0.2	3.7
-Administrative Services	1.7	0.0	28.9	30.6
-DOA Info Tech Support	0.0	0.0	16.4	16.4
-Finance	67.9	0.0	0.0	67.9
-Personnel	-7.2	0.0	5.1	-2.1
-Labor Relations	20.1	0.0	0.0	20.1
-Purchasing	17.0	0.0	0.0	17.0
-Property Management	6.8	5.7	0.0	12.5
-Central Mail	0.0	0.0	5.3	5.3
-Retirement and Benefits	0.0	0.0	86.0	86.0
<b>Proposed budget increases:</b>				
-Office of the Commissioner	0.0	0.0	98.5	98.5
-DOA Info Tech Support	0.0	0.0	30.0	30.0
-Finance	225.6	0.0	133.8	359.4
-Retirement and Benefits	0.0	0.0	792.3	792.3
<b>FY2003 Governor</b>	<b>9,775.2</b>	<b>409.5</b>	<b>31,897.9</b>	<b>42,082.6</b>